



National Association of BPO Professionals
6619 North Scottsdale Road
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December 23, 2009

Mr. Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Re: Docket No. R-1367; Regulation Z

The National Association of Broker Price Opinion Professionals, hereafter NABPOP, is providing this comment letter to the Board of Governors of the Federal Reserve System in regards to the proposed revisions to Docket No. R-1367; Regulation Z. NABPOP supports the Board's additional guidance regarding appropriate valuation tools when assessing a property's value under Section 226.5b(f)(3)(vi)(A) of Regulation Z. Specifically, NABPOP agrees with the Board's position that Broker Price Opinions "BPOs" are an appropriate valuation tool.

We feel that it is important to point out that there are professional organizations, such as NABPOP, specifically dedicated to the advancement of the BPO industry. NABPOP is a non-profit professional trade association of BPO practitioners. Members of NABPOP benefit from the professional advancement of robust BPO education, BPO training, a stringent BPO certification process, BPO job resources, an association Code of Ethics, and networking that is offered through the association. NABPOP also promulgates the BPO Standards and Guidelines "BPOSG", a compilation of industry wide standards and best practices. We believe these features benefit the entire industry. NABPOP is dedicated to advancing the professionalism and competency of BPO practitioners therefore elevating the BPO industry and, in part, the real estate valuation industry. Although the priority of NABPOP is the association members, NABPOP also advocates BPO practitioners industry wide, regardless of affiliation, and any reference to "BPO practitioner" includes members and non-members.

Section 226.5b(f)(3)(vi)(A) of Regulation Z currently permits a creditor to suspend advances or reduce a credit line for a HELOC if "the value of the dwelling that secures the plan declines significantly below the dwelling's appraised value for purposes of the plan." Existing Comment 5b(f)(3)(vi)-6 clarifies that a creditor need not obtain an appraisal to suspend HELOC privileges. NABPOP recommends to the board to provide sufficient guidance on what valuation tools a creditor should use to establish that a significant decline in value has occurred.

NABPOP agrees with and applauds the Board's proposed comment 5b(f)(3)(vi)-5, which provides creditors the necessary guidance by clarifying that alternative appraisal methods such as BPOs and Automated Valuation Models "AVMs" to determine if a significant decline in property value has occurred. Furthermore, general market data can be a reliable tool for creditors to use to validate valuations and to establish market trends. Access to more data and information is critical to sound decisions.

NABPOP firmly believes that creditors must be able to access proven and reliable valuation tools such as BPOs and AVMs when making critical decisions related to HELOCs. Appraisals, BPO's, AVM's and other alternative valuations are established and proven valuation methods and provide critical information. Alternative valuation

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methods such as BPOs and AVMs are vital and necessary tools that reduce costs, increase speed and enhance accuracy. Their usage is beneficial to homeowners (reduced pass-through servicing costs), mortgage investors (decreased cost of due-diligence) and credit risk departments (to verify appraisal accuracy).

If you have any questions, comments, concerns and/or would like further input, please do not hesitate to contact the undersigned at e-mail Michael.Ramer@NABPOP.com or 800-767-0743 xt. 300.

Thank You for the opportunity to provide comments and input.

Sincerely,



Michael Ramer
President

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